APPENDIX

The Act of February 8, 1918, 40 Stat. 433, provides:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.* That the Secretary of the Interior is hereby authorized to sell the coal and asphalt deposits, leased and unleased, in the segregated mineral area of the Choctaw and Chickasaw Nations, in Oklahoma, in the manner hereinafter set forth.
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> Before offering such coal and asphalt deposits for sale the Secretary of the Interior, under such rules and regulations as he may prescribe, shall cause the same to be appraised. Such appraisement, both as to leased and unleased lands, shall be described in tracts to conform to the descriptions of the legal subdivisions heretofore designated by the Secretary of the Interior, and shall be completed within six months after the passage of this Act.
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> SEC. 2. That the sale of such deposits shall be thoroughly advertised, and shall not later than six months from the final appraisement be offered for sale to the highest bidder at public auction in tracts to conform with such appraisement at not less than the appraised value so fixed, except that isolated tracts of less than nine hundred and sixty acres may be sold separately under like provisions: *Provided,* That twenty per centum of the purchase price shall be paid in cash, and

the remainder shall be paid in four equal annual payments from the date of the sale, and all deferred payments on all deposits sold under the provisions of this Act shall bear interest at the rate of five per centum per annum, and shall mature and become due before the expiration of four years after the date of such sale.

SEC. 3. That immediately after the expiration of one year after the coal and asphalt deposits shall have been offered for sale, or forfeited for nonpayment under the terms of the sale, the Secretary of the Interior, under rules and regulations to be prescribed by him, shall readvertise and cause to be sold to the highest bidder at public auction, in tracts to conform to the descriptions of the legal subdivisions heretofore designated by the Secretary of the Interior, and at not less than said appraised value, retaining the right to reject any or all bids, all coal and asphalt deposits remaining unsold and all coal and asphalt deposits forfeited by reason of such nonpayment of any part of the purchase price: *Provided,* That at the expiration of six months thereafter the Secretary of the Interior may again readvertise and offer the same for final sale to the highest bidder at public auction, upon such terms as he may prescribe and at such valuation, independent of the appraised value, as he may fix.

SEC. 4. That such deposits of coal or asphalt on the leased lands shall be sold subject to all rights of the lessee and that any person acquiring said deposits of coal or asphalt shall take the same subject to said rights and acquire the same under the express understanding and agreement that the Department of the Interior will cancel and withdraw all rules and regulations and re-

linquish all authority heretofore exercised over the operation of said mines by reason of the Indian ownership of said property and that said properties thereafter shall be operated under and in conformity with such laws as may be applicable thereto, and that advance royalty paid by any lessee and standing to the credit of said lessee shall be credited by said purchaser to the extent of the amount thereof, and that no royalties shall be paid by said lessee to said purchaser until the credit so given shall be exhausted at the rate of 8 cents per ton mine run, and that the royalty to be paid thereafter by said lessee to said purchaser shall be 8 cents per ton mine run of coal, and that any lessee may, at any time after completion of such sale, transfer or dispose of his leasehold interest without any restriction whatever; and that any lessee shall have the preferential right, provided the same is exercised within ninety days after the approval of the completion of the appraisement of the minerals as herein provided, to purchase at the appraised value any or all of the surface of the lands lying within such lease held by him and heretofore reserved by order of the Secretary of the Interior and upon the terms as above provided, and shall also have the preferential right, except as herein otherwise provided, to purchase the coal deposits embraced in any lease held by such lessee by taking same at the highest price offered by any responsible bidder at public auction at not less than appraised value; and if any lessee becomes the purchaser of any coal deposits on any undeveloped lease owned by him, then one-half of the advance royalties paid by any lessee on such lease shall be credited on the purchase price thereof, and

any residue of advance royalties heretofore paid by any lessee shall be credited to such lessee on account of any production of coal on any other lease which he may own and operate: *And provided,* That nothing herein contained shall be construed as limiting or curtailing the rights of any lessee or owner of mineral deposits from acquiring additional surface lands for mining operations as provided by the Act of Congress of February nineteenth, nineteen hundred and twelve: *Provided further,* That no person or corporation shall be permitted to acquire more than four tracts of nine hundred and sixty acres each, except where such person, firm, or corporation has such tracts under existing valid lease.

SEC. 5. That the surface of any segregated coal and asphalt lands in the Choctaw and Chickasaw Nations, in the State of Oklahoma, which may have been, or may be, condemned under the laws of the State of Oklahoma for State penal institutions, or for county or municipal purposes, as authorized by the Indian appropriation Act approved March third, nineteen hundred and nine, shall be construed to include the entire estate, save the coal and asphalt reserved and existing valid leases thereon: *Provided,* That the State of Oklahoma shall have the preferential right of purchase, at the appraised value thereof, upon the same terms as apply to other coal and asphalt deposit sales under this Act, all coal and asphalt deposits underlying the surface heretofore purchased by the said State of Oklahoma, for the grounds of the State penitentiary: *Provided,* That said coal deposit under said land shall not be mined by convict labor for the purpose of sale to any private agencies, individual per-

son, or corporation, or to be sold for private or commercial purposes.

SEC. 6. That the Secretary of the Interior be, and he is hereby, authorized to prescribe such rules, regulations, terms, and conditions, not inconsistent with this Act, as he may deem necessary to carry out its provisions and shall establish an office for such purpose at McAlester, Pittsburg County, Oklahoma.

SEC. 7. That when the full purchase price for any property sold hereunder is paid, the chief executives of the two tribes shall execute and deliver, with the approval of the Secretary of the Interior, to each purchaser an appropriate patent, conveying to the purchaser the property so sold: *Provided,* That the purchaser of any coal or asphalt deposits shall have the right at any time before final payment is due to pay the full purchase price on said coal and asphalt deposits, with accrued interest, and shall thereupon be entitled to a patent therefor as herein provided.

SEC. 8. That there is hereby appropriated, out of any Choctaw and Chickasaw funds in the Treasury not otherwise appropriated, the sum of $50,000 to pay the expenses of appraisement, advertisement, and sale herein provided for, and the proceeds derived from the sales hereunder shall be paid into the Treasury of the United States to the credit of the Choctaws and Chickasaws.

Approved, February 8, 1918.

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